

Maurice Hinchey NEWS

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Contact: Kevin O'Connell
202-225-6335

HINCHEY SUPPORTS EQUITABLE TAX RELIEF, OPPOSES REPUBLICAN PLAN AS IRRESPONSIBLE

WASHINGTON - U.S. Representative Maurice Hinchey (D-NY) today voted in favor of legislation that would provide immediate and fair tax relief for middle-income families. The legislation, which was proposed as an alternative to the Bush Administration-backed Tax Reconciliation Bill (H.R. 1836), would provide an across-the-board rate cut for all Americans, marriage penalty relief, expansion of the Earned Income Tax Credit, and an immediate tax rebate this year. It gives higher priority to ensuring the solvency of Social Security and Medicare and to paying down the debt. The House rejected the alternative before passing H.R. 1836, which Hinchey opposed.

After the votes, Hinchey made the following comments:

"The Republican Tax Reconciliation Bill is fiscally irresponsible. It by no means represents an end to the tax cuts the Republicans want to enact, which, all together, total over \$3 trillion. If they are successful, then there will be no money left for education, prescription drugs, investing in our nation's future, or paying down the debt. The president will either have to forego spending on these important needs or spend the Social Security and Medicare trust funds.

"Even under the rosier projections of budget surpluses over the next ten years, these tax cuts will delay paying down the debt. That means that wealthy investors will get a big payoff while the middle class will have to pay higher interest rates when they borrow money. Under worse - but entirely feasible- scenarios, these tax cuts will plunge us back into the days of deficit spending. It took us two decades and several acts of Congress to dig out of the deficit hole the last time a plan like this was enacted in 1981. Now we risk climbing back into that hole.

"Most galling is that the president and his party are forcing all of us to take these risks and make these sacrifices for benefit of a few wealthy Americans. Under the Tax Reconciliation Bill the House passed today, the richest one percent of the country -people who earn over \$350,000 a year- get a tax cut of \$40,000 while a single mother making \$22,000 a year gets nothing. New Yorkers are treated particularly unfairly by this proposal, ranking 49th out of the 50 states in average income tax cut. President Bush and the Republican leadership are making it very clear where their priorities lie."

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Call 202-226-4109. When announcement begins, press "90" to access Congressman Hinchey's recording.